



Understanding Retention: One Size Doesn't Fit All

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This paper presents the experiences of two organizations that have made concerted efforts to better confront undesirable employee turnover. Though retention is a focus for most organizations regardless of industry, there is likely no industry that faces more competition for keeping desirable employees than technology focused firms. Company Red is a 22,000-member information technology firm with several global locations. Company Green is a 19,000-member high-technology equipment development firm that also operates in multiple countries throughout the world. Through the efforts of these two organizations, it is evident that in the “world of retention efforts,” one size does not fit all.

In addition to experiencing a large amount of organic employee growth through new hires, Company Red faces a unique challenge of managing consistent acquisition processes. Through the acquisition of other organizations, the fulfillment of client contracts, and the subsequent acquirement of the clients' information technology personnel, Company Red has averaged approximately 1,500 “transitional” employees coming into the organization annually.

Over the past year, the company has developed transition teams to help integrate these “transitional” employees into the organization. The transition teams use the formal onboarding activities experienced by more traditional new employees, including activities such as policy review, technology systems reconciliation and compensation/benefits explanations. In addition, there has been a desire to better understand how Company Red is doing with respect to the equally important

aspects of onboarding, such as providing realistic previews of 1) the organization and job, 2) treatment by other departments in the organization and 3) inclusion in employee activities.

Data will be presented that describes how Company Red's transitional employees felt about their early conversion period. Aspects of a new employee's experience, such as communication perceptions, promise fulfillment, work disruption and resource availability are early indicators as to how the employee is evolving within the organization. Additional gauges, such as experiences with diversity, perceptions of growth and development opportunities, and connection to the organization's vision, all will be discussed in the paper.

Company Green, in an effort to maximize the organization's capacity to grow across their diverse product divisions, had focused on retaining as a key part of their overall human capital strategy. Through careful observation, the organization noticed that over the past couple years they had experienced a particular spike in turnover, especially with those who have only relatively few years of tenure with the organization (less than four years).

In response, Company Green employed multiple organizational efforts that put a special focus on examining the drivers of turnover through multiple sources of data. One such source of information came from the employees' survey responses. Combining employees' perceptions about organizational experiences with turnover data provided a rich source of information, allowing Company Green to compare and contrast how the employees who both stayed and left felt about

the organization. Multiple aspects of the data, such as the match between job demands and employee skills and abilities, perceiving growth and development opportunities, focus on the customer, opinions of organizational reward and recognition processes, and experiences with organizational processes, provide an understanding of what matters most to employees.

These employee responses were used to create profiles depicting those who stayed and those who chose to leave the organization. These “leaver and stayer” profiles were created for multiple geographic locations, those with different tenure and those in different job functions. Additionally, performance management data was leveraged to analyze leaver and stayer profiles for high performing employees. Key findings from these profiles will be highlighted to show the varying considerations made by different employee groups. These findings will be discussed to enhance retention strategies targeting different types of employees.

Like many other organizations, these two companies initially started by examining turnover and retention across all employees, but by targeting key employee groups, segmenting behaviors (e.g., leavers v. stayers) and leveraging additional human capital data, they were able to more clearly identify both perceptions widely held and perceptions uniquely held by a particular group. These findings impact how companies should approach retention strategies and suggest that targeting messages to key subpopulations (e.g., high performers, Asia-Pacific hires, recent college graduates) will increase the likelihood of retaining these key segments of their workforce. ■

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